Center for Immigration Studies

Backgrounder

January 2003

IDs for Illegals

The 'Matricula Consular' Advances Mexico's Immigration Agenda

By Marti Dinerstein

In the wake of the 9/11 terrorist attacks, a migration deal with Mexico was tabled while attention turned to homeland security. So the Mexican government abruptly changed its White House strategy and substituted a grass-roots approach that would focus at the local level, seek small successes, and build momentum for congressional action. The linchpin for this new strategy was to be the "matricula consular," an official identity card issued by the Mexican government, which it wanted to be officially recognized within the United States.

This *Backgrounder* is the first detailed examination of the matricula issue. Among the findings:

- The matricula consular is useful in the United States only for illegal aliens, since legal immigrants, by definition, have U.S. government-issued documents.
- The Mexican government has launched an aggressive grassroots lobbying campaign to win acceptance for its matricula card from state and local jurisdictions and from banks, especially in areas where Mexican illegal aliens are concentrated.
- The objective of this lobbying effort is to achieve quasi-legal status for Mexican illegals in the United States without waiting for action from Washington.
- The matricula itself, however, is useful to illegal aliens only insofar as U.S. institutions are willing to collaborate with Mexico's efforts to circumvent U.S. immigration law.
- While many jurisdictions have resisted pressure from the Mexican government, others have not; the matricula is now accepted by 800 local law enforcement agencies and 74 banks, as well as by 13 states for purposes of obtaining a driver's license.
- Not only does the matricula subvert U.S. immigration law, it is not even a secure identity document. Mexico is not authenticating the documents used to obtain the matricula against computerized data files in Mexico.
- Safeguards are not in place to prevent multiple issuance of matriculas to the same individual; in fact, the INS has already reported finding multiple cards in different names issued to the same person.
- The matricula is becoming a shield that hides criminal activity for two reasons: first, the holder's identity was not verified when the card was issued, and second, police in jurisdictions that accept the matricula are less likely to run background checks on card holders picked up for minor infractions.
- The U.S. Treasury Department has given its approval to banks to accept the matricula for opening bank accounts.
- The acceptance of Mexico's matricula consular sets a precedent, making it almost impossible to reject similar cards presented by illegal aliens from other countries, including those which have sent terrorists to the United States in the past.

Marti Dinerstein (mdinerstein@earthlink.net) is President of Immigration Matters, a public policy analysis firm in New York, and is a Fellow at the Center for Immigration Studies. She is the author of two recent Backgrounders: *"America's Identity Crisis: Document Fraud is Pervasive and Pernicious" and "Giving Cover to Illegal Aliens: IRS Tax ID Numbers Subvert Immigration Law."*

LICENSED TO GALE/CIRS
ELECTRONIC REPRODUCTION PROHIBITED

Mexico's voter registration card contains a fingerprint and would have been counter-productive to Mexico's aim of avoiding deportation of its citizens. Anyone caught crossing the border without permission is fingerprinted and penalties rise for repeat offenders.

Early in September 2001, the Mexican government had every expectation that it would soon achieve its principal foreign policy goal — a comprehensive migration agreement with the United States that would create new guest worker programs, exempt Mexico from visa limits, and "regularize" the immigration status of the estimated three to five million Mexicans already living in the United States illegally.

After 9/11, public and congressional opposition in the United States to an illegal-alien amnesty hardened and made such a deal impossible. In its place, Mexico sought piecemeal changes, centered on gaining acceptance in the United States for the "matricula consular." But Mexico's new approach has become a direct challenge to U.S. sovereignty — by aggressively lobbying state and local governments, Mexico is changing America's de facto immigration policy in lieu of congressional action. And it has been doing so while the U.S. government watched — or even gave its tacit consent.

Rebirth of the Matricula

The issue of secure identification became a national concern in the United States after it was discovered that all 19 9/11 hijackers had valid or fake Social Security numbers and 18 of the 19 had authentic or phony driver's licenses or motor vehicle ID cards. There was a public outcry and steps were taken to tighten the eligibility requirements for both Social Security cards and driver's licenses. It has became common operating procedure for ID to be required in order to enter certain buildings, gain access to secure areas at airports, and attend high-profile public activities, like New Year's Eve in Times Square. Life became even more difficult for the undocumented, the majority of whom are Mexicans.

Wanting to ensure that its nationals could illegally remain in the United States with as little hassle as possible, the Fox government turned its attention to providing them with Mexican identification that would be accepted by U.S. authorities.

Simply providing passports was not a viable option. The United States requires Mexican citizens to obtain a visa before entering the country, a nicety ignored by people who cross our borders without permission. Possession of a Mexican passport without a visa would only highlight their illegal status.

Another option could have been Mexico's voter registration card, which is regarded as a secure identity document. It was revamped at great expense in the 1990s to stem endemic corruption in the Mexican electoral system. But that card, too, was a non-starter. It contains a fingerprint and, thus, would have been counter-productive to Mexico's aim of avoiding deportation of its citizens. Anyone caught crossing the border without permission is fingerprinted and penalties rise for repeat offenders. Knowing this, Mexican illegals often use fake identities, not wanting to have their legal name in INS arrest files. But if fingerprints match, a false identity doesn't cut it. Identity theft is a felony and subjects an offender to deportation.

So the Mexican government turned to the matricula consular, a logical choice, since it was created in 1870 specifically to help Mexican citizens living abroad get help from their local consulate if needed. In its simplest form the matricula card is an official Mexican government document that certifies the name and age of the bearer. Well over one million matriculas were already in circulation in the United States before the September 2001 terrorist attacks. Even though those cards contain no security features, they remain valid, according to a consulate official in New York.[1]

In an audacious political maneuver, Mexico decided to try to turn the matricula consular into a vehicle to achieve quasi-legal status for its undocumented population in the United States. Its strategy was two-pronged. First, it needed to convince U.S. authorities that the matricula was secure identification. Second, it planned an aggressive grassroots lobbying campaign to win acceptance for it at the local and state level, especially in areas where large numbers of Mexicans resided and were, in fact, members of the community.

New matricula contains useful information and offers protection against counterfeiting. The new matricula card was first introduced in major metropolitan areas in March 2002 and gradually was made available in consulate areas throughout the United States. It is wallet-sized, making it easy to carry on a daily basis. It is generally valid for five years and is bargain-priced at $28. The card contains the name, date and place of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

birth, a current photograph, and the holder's signature. A new feature is inclusion of a U.S. address, which is information banks require and the police also want, even if someone is simply reporting a crime. A current address also is required to obtain local social services and access to community facilities.

Another new addition is the telephone number of the local Mexican consulate office, which is provided for two reasons. First, it is a way that local officials can verify the card's authenticity. Second, it is a reminder to the police that a Mexican national in trouble has a right to call his or her consulate office for assistance.

In designing the new card, Mexico put emphasis on features to prevent counterfeiting. Some of them are visible, like the patterned green security paper and an "advantage seal" that in natural light changes color from green to brown and is superimposed over the bearer's photograph.

Other anti-forging features are visible only in florescent or infrared light and others require a high-tech decoder to be seen. "At one angle, the decoder reveals the bearer's name over the phograph. From other angles, the decoder reveals the bearer's birth date and the letters 'SRE,' initials of the Secretaria de Relaciones Exteriores, the Mexican agency responsible for issuing the card."[2]

The Mexican government calls the new matricula card the "high security consular ID." This phrase is used in conjunction with descriptions of its anti-forgery technology.

The counterfeiting safeguards certainly add to the matricula's reliability, but they are not a substitute for other security measures, some of which Mexico has used to promote the matricula but has not yet delivered.

Matricula not Secure

Mexico is not authenticating breeder documents. For an identity card to be secure, the "breeder" documents provided must be authenticated to guard against identity fraud. Safeguards must also be in place to ensure that the goal of one person, one identity, one card is met.

This issue is particularly complicated for the Mexican government, which is fully aware that its nationals commit document and identity fraud to remain in the United States. Previously, this issue was not of concern to them; but now, the Mexican government is warning its citizens against this practice.[3]

To guard against fraud, Mexico requires that applicants for the matricula appear in person to have their photograph taken and to submit identity documents and proof of residence in the geographic region served by the consulate issuing the card.

An original or certified copy of a Mexican birth certificate is required. Another piece of photo identification, preferably from Mexico, is also required. Consular officials say the documents they accept include a voter registration card, a military service card, or a valid passport. In the absence of a photo ID from Mexico, consular officials are granted discretion in deciding what U.S. documents to accept. Media reports have mentioned employer ID cards, motor vehicle department ID cards, and student ID cards. Concern has been expressed that the standards for issuing matriculas differ considerably from consulate to consulate.

For the matricula card to be secure, these "breeder" documents must be authenticated. And Mexico has said it was doing so.[4] However, local consulates do not, and probably cannot, verify the authenticity of these documents against computerized data files in Mexico. An official at the Mexican Embassy in Washington said that it relies on the expertise of the staff in the 47 consulates to visually authenticate the documents.

The breeder documents presented by those applying for a matricula card are not electronically scanned. Instead, hard copies are made of the documents, which are kept in physical files at the appropriate consulate. So as a practical matter, the consulates have no computerized data to transmit, even if they were linked to databases in Mexico against which the matricula applicants' information could be checked.

Issued on same-day basis, even in remote locations. Given the sheer volume of the matriculas being issued and the physical conditions under which this is accomplished, it is easy to understand why the process is not highly automated. The "new and improved" matricula has been a runaway best seller with undocumented Mexicans living in the United States. On some days the demand exceeds the ability of the consular staffs to process all of the people waiting in long lines.

This is particularly true when mobile offices are set up to accommodate people who live in rural areas distant from the nearest consulate office. These visits are publicized within the local Mexican community and word-of-mouth travels fast. The venues for the mobile consulates are not fancy, ranging from an adult education school in Brentwood, Calif., to a tent outside the Cardunal Savings Bank in Woodstock,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Ill., to the El Rincon Vaquero trading post in West Columbia, S.C. All matriculas – even from these remote locations – are issued on a same-day basis.

For a consulate to transmit personal information about matricula applicants on an on-line, real-time basis to a confidential database maintained in Mexico would (or should) require dedicated data lines and multiple layers of communications security. It would also require that the consulate receive back almost instantaneous confirmation of the validity of the applicant's documents. For that to happen, sophisticated, costly, and time-consuming interface programming would be needed, as well as investments in communications technology and support at each consulate. The price tag would easily be in the tens of millions of dollars.

Those realities raise troubling questions and doubts about Mexico's candor when explaining the extent — and limits — of the matricula as a secure ID document.

Safeguards not in place to prevent multiple issuance of matriculas to same individual. Mexico had to absorb a multi-million dollar start-up investment for new equipment and technology before its 47 consulates could issue the improved matricula. That investment was required for the redesign of the card, for digital cameras to photograph each matricula applicant on-site, for technology to prevent counterfeiting, and for the equipment that actually produces the cards.

Concurrent with the issuance of each matricula, a digital file of the photograph, signature, and data elements is created. Such a file could be electronically transmitted to Mexico and matched against databases in all 47 consulates to ensure that no more than one card is issued to any individual. In its discussions with law enforcement, banking, and motor vehicle officials to gain acceptance for the matricula, Mexico has referenced this database as another security layer.

There is one big problem, however. The network is not yet operational. Estimates of when it will be available range from several months to several years. Most U.S. officials seem to feel that Mexico is serious about providing it, if for no other reason than it needs it for its own purposes. The issue seems to be a matter of timing, not intent.

But as the saying goes, timing is everything. Well over one million older matriculas, which have no security features and the data from which cannot be converted into electronic format, are still in circulation. The Mexican government announced it issued over one million matriculas in 2002. Thus, with estimates of Mexico's illegal population in the United States ranging from three to five million people, a significant percentage of that population possess matriculas that do not meet a generally accepted definition of secure identification.

The absence of a computer network linking the 47 consulates is a serious security flaw. Possessing multiple copies of a genuine photo ID document touted as having "high security" would provide excellent cover to a host of unsavory characters.

Fraud is occurring. "One guy we arrested recently had three different matriculas with three different names. It was his picture, issued through the consulate," said an INS official in Denver. "Our one worry is that this gives someone whose intentions are bad one genuine piece of identification."[5]

Some Washington officials are quietly worried about graft within the 47 consulate offices. No country is immune from corrupt employees who sell identity documents for cash. But in Mexico corruption is endemic and is common throughout the government. Rumor has it that some employees simply pocket the $28 matricula fee, paid in cash with no audit trail. Others worry that low-paid consular staff might succumb to bribes and provide matriculas to OTMs (Other Than Mexicans) engaged in drug or human smuggling or terror financing activities. These employees would be covered by diplomatic immunity.

A good reason to believe that the consular network will become a reality is that Mexico has its own reasons to prevent fraud in its issuance of the matricula. In the past, Mexico has had to guess how many of its citizens live in the United States. And it had no clue who they were or where they lived. Compiling an accurate registry of these names serves Mexico's economic, political, and foreign policy objectives.

Mexicans Push Matricula Acceptance

It's obvious why the matricula is so popular with Mexican illegals. It is transforming their quality of life in America. It sells itself. Mexican officials and illegal immigrant advocates repeat over and over like a mantra that the matricula does not confer legal status. They trivialize the benefits it confers, referencing library cards, video rentals, and utility services. Yet, in less than a year, the matricula has come a long way toward achieving what Mexico hoped it would — quasi-legal status for its undocumented population in areas where the matricula is widely accepted.

In localities where it is accepted as valid identification, the matricula consular has reduced the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

chances that illegal Mexican aliens will be arrested and deported, given them entree to mainstream banking services, provided access to city and state services – and in 13 states gained them exactly the same driver's licenses as those carried by American citizens. (See sidebar.)

The matricula is just a laminated piece of paper. Its value derives from the fact that U.S. police departments, banks, local governments, and state motor vehicle bureaus voluntarily have agreed to accept it, no questions asked.

This is due to the brilliant propaganda campaign, conceived by Mexico's foreign ministry and executed by its 47 consulate offices, the largest diplomatic presence in the United States. Their plan is to gain widespread acceptance for the card throughout the United States. This involves consulate personnel traveling from city to town within their geographic region, calling on the mayor, police chief, local bank officials, motor vehicle bureaus, state legislators, etc., and urging them to accept the matriucla as official identification. They speak at official meetings, court prominent community leaders, meet with the editorial boards of newspapers, and seize every opportunity given for media coverage.

Each small success is celebrated and announced to the local media. A scorecard is maintained in Washington and disseminated to the local consulate offices. Thus, a "win" with a local police chief in California can be cited by the consulate office in Georgia as evidence of the growing momentum to accept the matricula throughout the United States.

The results of this lobbying effort have been impressive. On December 30, the Mexican Foreign Ministry announced that in 2002 it had issued 1,040,934 matricula consulars to Mexicans in the United States. Approximately 64 percent were issued by 10 Mexican consulate offices in three border states — Arizona, California, and Texas — and in Chicago, which has the second largest Mexican population after Los Angeles. To date, 74 banks accept the matricula as identification to open accounts. According to the Mexican government, the matricula also is accepted as official ID by more than 800 U.S. police departments and by 13 states to obtain a driver's license.[6]

Matricula Shields Criminals

At one level, it is hard to understand why 800 police forces would accept the matricula as acceptable ID, but it has a certain logic. In selling the matricula to the police, Mexican officials emphasize its security features, public safety, and human dignity. They make the point that illegal Mexican aliens in the community would be more likely to report crimes to the police if they did not fear doing so could lead to their deportation.

These arguments resonate with local police, whose principal job is to protect their community. The police department in Austin, Texas, was among the first to accept the matricula.[7] It did so because its own records indicated that Mexicans assumed to be illegal

Matricula ID Transforms Life for Illegal Aliens

Can Legally Obtain Most Requested ID Card in the United States
- Receive same driver's license as citizens (in 13 states)

Reduced Risk of Arrest and Deportation
- Police less likely to arrest; instead cite and release for minor violations
- Lower chance of being fingerprinted
- Reduced risk of background checks for past criminal acts
- Lessen chance of crosscheck with INS for repeated border crossings

Access to Banking Services, Credit Cards, and Home Mortgages
- Open bank accounts
- Obtain ATM cards for relatives living in Mexico
- Leverage bank account to obtain credit cards
- Obtain home mortgages by building credit history
- Bank accounts lead to issuance of official U.S. ID number from the IRS

Obtain City and State Services
- Get hospital ID for medical services
- Register for local health department services
- Obtain marriage license
- Apply for birth or death certificate
- Enter government buildings
- Receive resident discounts for city parks, etc.

Diminished Difficulty of Living in the United States
- Rent or buy homes and apartments (protection under fair housing laws)
- Qualify for subsidized housing
- Obtain telephone and utility services
- Board airplanes

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

It is a certainty that criminals, irrespective of their legal status, are in line when the consulate mobile offices arrive in their localities. Why not? The only requirement to receive the matricula is Mexican citizenship.

were subject to a disproportionately high level of crime, particularly robberies.

Matricula reduces risk of arrest, jail, and deportation. Police need to see identification even for minor infractions. If an individual has none, he or she must be taken to a police station and booked. It is a time-consuming process and causes ill will within the community when, arguably, the offense is not a serious one. Immigrant advocates shrilly remind the media that local police are not responsible for enforcing federal immigration law. And some local police agree with this assertion. The assistant chief of police in Austin "acknowledged that some citizens have criticized the authorities' acceptance of the card. However, he noted, enforcing immigration law is a federal responsibility.[8]

But for the police to ignore federal immigration law is tantamount to subverting it. And that is exactly what has been happening since the Mexican government launched its full-court press to get local law enforcement officials to accept the matricula on a pari passu basis with U.S.-issued identification or valid passports.

In some localities, an illegal Mexican alien in possession of a matricula is being cited and released. Without a matricula, he or she would be taken to a police station, fingerprinted, and a background check run. Police would examine any papers in the suspect's possession to determine the person's identity. If their search gave them reason to believe the person was in possession of fraudulent documents, he or she would be charged with that crime, as well as the one that had brought them to the attention of the police in the first place. The individual's name and fingerprints would be run through criminal databases, which now include the INS list of over 300,000 aliens who absconded after being served with deportation notices. A large number of them are from Mexico.

While local police do not routinely notify the INS when an illegal alien is arrested, they apparently do so if a serious crime has been committed. Thus, they seem to be comfortable selectively enforcing federal immigration law.[9]

But in an increasing number of U.S. cities, towns, and villages, none of these activities are taking place. For any Mexican citizen who possesses one, and particularly for those here illegally, the matricula has become a shield that hides past or current criminal activity.

Matricula available to hard-core criminals, no questions asked. Given the free pass that local police are giving to matricula holders, it is a certainty that criminals, irrespective of their legal status, are in line when the consulate mobile offices arrive in their localities. Why not? The only requirement to receive the matricula is Mexican citizenship. No criminal background checks are run. It is an identity document, nothing else. But local law enforcement officials in the U.S., trying to cope with an influx of illegal Mexican aliens into their communities, have turned it into a sort of protection badge.

Criminality is rampant in Mexico and, inevitably, crosses our porous border. This is particularly true with drug smugglers. It is an unfortunate fact of life that illegal drugs are grown and manufactured in Mexico, trafficked by Mexicans, but used by Americans.

Within the last decade, Mexican drug traffickers have become major wholesalers throughout the United States of marijuana, heroin, cocaine, methamphetamine, and ecstasy. Their distribution hubs are expanding away from just border communities. According to a Drug Enforcement Administration official, "The southwest border isn't along the Rio Grande anymore. It's in Atlanta and North Carolina and Chicago and even Yonkers and New Rochelle."[10]

They like to work close to towns that provide easy highway access to big cities and where poor immigrant residents can be recruited as couriers. These "towns offer the cover of hard-working immigrants and a pool of potential recruits among the out of luck and unemployed. . . . From bases on the West Coast, Mexican traffickers have moved across the Northwest and Midwest, hiding among fruit pickers in Washington, resort workers in Colorado, and construction workers in Minnesota. . . .The Mexican traffickers are notably low profile, and police officers say the immigrant workers on whom they prey are similarly discreet."[11]

The vast majority of illegal Mexican aliens are not perceived to be "criminals," although they commit criminal acts like crossing our border without permission, engaging in identity theft, and using fake, stolen, or borrowed Social Security numbers to find work. While Americans who commit those crimes

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

would be arrested and prosecuted, there is great reluctance to do so in communities with large illegal populations because it could result in their deportation.

The matricula is compounding this problem and giving both illegals and local law enforcement a way to ignore this troubling reality.

Mexico Lobbies Banks

Some Mexican illegals view a banking relationship as the most important tangible value of the matricula consular. For those who work off the books, it provides peace of mind to know they no longer are easy marks for thieves who prey on people who fear going to the police. For others, it makes cashing paychecks easier. Not only does it reduce the cost of sending money to their homes in Mexico, it provides these families with an ATM card, so they can withdraw only enough cash to meet their needs and keep the rest secure in a bank.

At first blush it seems almost impossible to believe that some of the largest and most prestigious banks in the country are knowingly offering accounts to Mexican illegal aliens. The reasons are complicated and encompass outreach to assist a minority community, perceived profits to be made from accessing a fast-growing new market, and even a way to increase the dollars remitted to Mexico, in the expectation that some will be allocated to economic development projects. But the most important reason is that neither banking regulators nor the U.S. Treasury Department have objected to opening banking accounts for Mexican illegals who use the matricula as their identification. In fact, a good case can be made that regulators and the Treasury Department have tacitly encouraged banks to do so.

The irony is that Mexican banks do not hold the matricula in high regard as an identity document. No major bank headquarters in Mexico lists the "matricula consular" among the several official identification documents they accept to start accounts. Perhaps recognizing that this revelation could be embarrassing, on July 1, 2002, the Mexican Ministry of Interior instructed regional offices of the National Migration Institute that full recognition and validity be authorized for the matricula consular for identification purpose and for entry into Mexico. As of December 30, 2002, the document was being accepted in 10 of Mexico's 33 states.[12]

Remittances and economic development projects important to Mexico. According to the Inter-American Development Bank, money sent home to Latin America and Caribbean countries from their nationals quadrupled in the last decade to $23 billion in 2001.[13] Given current migration patterns, this growth is expected to continue throughout the decade. This remittance phenomenon, combined with a concurrent decrease in U.S. foreign aid, has led the State and Treasury Departments to work jointly with the international development aid community to find ways to redirect some of the money to promote economic development in these impoverished nations.

This is a high priority for President Fox. Echoing concerns shared by the World Bank and the Inter-American Development Bank, he has lamented "that an overwhelming majority of immigrant dollars sent to Mexico were used to provide for the day-to-day survival of the poorest families. Little is saved. Even less is invested in projects that could stimulate economic growth. . . . Mr. Fox has expanded government programs that match, peso for peso, the money that immigrants send for public works projects in their home communities."[14]

Mexico received $9.3 billion in remittances in 2001 but claims its citizens sent even more. The cost of money transfers gobbled up from 10 to 20 percent of the total amount remitted. The international economic aid community reasoned that large U.S. commercial banks could help decrease these high remittance-processing costs.

When Mexico approached large U.S. banks to discuss lowering the cost of remittances and accepting the matricula consular to open accounts tailored to poor Mexicans, it met a receptive audience at some institutions. It is likely that executives in retail banking would have noticed the Census projections that Hispanics would soon overtake blacks as the largest minority group in America and would welcome the opportunity to tap into a large new market. Similarly, since the late 1970s, U.S. regulators have required evidence that banks have made an effort to serve poor, minority communities within their market areas. This community development activity usually reports to the executive responsible for assuring that the bank receives satisfactory ratings from its regulators.

And some of those regulators, most notably the Federal Deposit Insurance Corporation and local Federal Reserve banks, perhaps responding to the unprecedented level of immigration in the 1990s, were concurrently sponsoring seminars about "financial literacy" for the "unbanked" in poor minority communities. The promised new "high security" matricula would provide an opportunity to open bank accounts for the largest immigrant group in the United

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

States. Of course, since Mexicans legally in the United States already possessed the appropriate documentation to establish bank accounts, it was understood that only undocumented Mexicans would need the matricula. The timing was also fortunate because the Internal Revenue Service had started to issue the Individual Taxpayer Identification Number, which could serve as the second ID usually required by banks to fulfill their "know your customer" obligations.

Internal Revenue Service gives Mexican illegals second ID needed to open bank accounts. In 1996 the IRS, a division of the Treasury Department, began issuing Individual Taxpayer Identification Numbers to foreign nationals who were not eligible to receive a Social Security card as a way to encourage compliance with U.S. tax laws. A policy decision was made to make the ITIN available to illegal immigrants based on their "substantial presence" in the United States. In its publications, website, and forms, the IRS makes clear that the ITIN is "for tax purposes only." Perhaps because of its stated limited purpose, the IRS made little or no effort to authenticate the documents presented by foreign nationals to obtain the ITIN. Perhaps it did not feel it was necessary to do so, because the agency was knowingly giving them to illegal aliens.

This laxness led to a stampede of illegals from nations all around the world applying for ITINs. As of October 2002, over 5.5 million ITINs had been issued. But, strangely, only 1.5 million tax returns actually were filed using the ITIN number. It is assumed that the people who applied for the ITIN and do not file taxes are using it as official U.S. government identification to obtain driver's licenses, bank accounts, and government services. It is not known if ITINs are easily available to citizens of countries that harbor terrorists or to resident aliens appearing on the FBI's criminal database or to the more than 300,000 aliens who absconded after being served with deportation notices.[15]

The ITIN has been linked in media stories to the burgeoning popularity of the matricula. Banks need an official U.S. tax number to open an interest bearing account and, by definition, illegal aliens are not legally entitled to a Social Security number. So Mexican consulate staffs have been suggesting the ITIN as an acceptable alternative and, apparently, neither the banks nor the IRS raised objections. However, within the last three months, both the Treasury Department and IRS have thrown up strong warning signals that the ITIN cannot (or should not) be accepted as an identification document.

In its October 21, 2002, report to Congress, the Treasury Department said "the IRS does not employ rigorous identification verification procedures. For example, a foreign national can apply for an ITIN by mail or through an authorized ITIN Acceptance Agent, which is a person or entity authorized by the IRS to take applications."[16]

Similarly, on December 17, 2002, the IRS announced that henceforth applicants must submit documents proving their alien status and identity.[17] It is unclear exactly how or if the IRS plans to use this information. It has a policy of shielding illegal immigrants from exposure to the INS, which has seemed to continue even though the USA Patriot Act explicitly calls for greater information sharing among government agencies, law enforcement, and the intelligence community.[18]

U.S. Treasury gives banks comfort to accept the matricula. A key factor influencing the banking community to accept the matricula is its belief that the U.S. Treasury Department has given its approval.[19] "Under section 326(b) of the USA Patriot Act, Congress directed that Treasury, in consultation with the federal functional regulators and other relevant agencies, study and provide recommendations for enhancing the ability of domestic financial institutions to verify the identity of foreign nationals."[20]

In its report to Congress, Treasury spelled out what type of information a financial institution may require from a non-U.S. person seeking to open an account: "The regulations state that financial institutions may accept one or more of the following: a U.S. taxpayer identification number; a passport number and country of issuance; an alien identification card number, *or the number and country of issuance of any other government-issued document evidencing nationality or residence and bearing a photograph or similar safeguard*." (Italics added.)[21]

That sentence was followed by footnote 17. It was a shocker. "Thus, the proposed regulations do not discourage bank acceptance of the 'matricula consular' identity card that is being issued by the Mexican government to immigrants."

The intent of the USA Patriot Act of 2001, passed overwhelmingly by Congress in response to the 9/11 terrorist attacks, was to strengthen our homeland security. It addressed the issue of secure identification because the hijackers had obtained both Social Security numbers and driver's licenses. Especially in this context, it is difficult to comprehend why Treasury went out of its way to give approval to an identity card being offered

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

by a single foreign government whose contiguous border is a matter of acute concern to the United States and whose nationals represent the majority of illegals within the United States.

Matricula Leads to a Drivers License

As we saw with the hijackers, illegal aliens of all nationalities prize a state-issued driver's license above all other identity documents because it serves as a domestic passport. It is the most widely accepted identity document in America and gains you access to places, services, and transportation. Once a Mexican has a driver's license, he or she could throw away their matricula. It would no longer be needed.

After 9/11, it was generally recognized that current state driver's license laws, regulations, and procedures are rife with loopholes and subject to political pressure. A number of states immediately took action to close administrative loopholes and introduce legislation to more tightly control the conditions under which foreign nationals illegally in the United States can obtain driver's licenses. Some states still openly subvert federal immigration law and issue licenses to illegal aliens. Their justification usually is a pragmatic one. Illegals are going to drive anyway to get to work, and it improves public safety if they pass a driver's test, know the rules of the road, and obtain insurance.

In trying to grapple with this issue, some state legislatures have suggested a compromise. Licenses would be issued to undocumented individuals but the front of the license would bear a message similar to "For driving purposes only." This resulted in torrents of criticism from immigrants and their advocates, charges of discrimination and racism and the pronouncement that driving is a basic human right. The bottom line is that illegal aliens want a driver's license precisely because it masks their illegal status.

Two states with large undocumented populations resist lobbying and just say "No." Although there is some dispute as to the actual number of states accepting the matricula as proof of identity to obtain a driver's license, Mexico says 13 states are doing so. Consulate officials are actively lobbying other states to either alter motor vehicle department regulations regarding acceptable identity documents for undocumented aliens or pass legislation that would explicitly permit acceptance of the matricula.

The new, improved matricula became available to residents of New York, New Jersey, and Connecticut in March 2002. The news was announced by the regional Mexican consul who said "The ideal would be if the matriculation card could gain points to obtain a driver's license in the tri-state area. . . . We are holding talks now with representatives from the departments of transportation of the three states."[22]

But New York's Department of Motor Vehicles refused to add the matricula to its list of approved identity documents to obtain a driver's license. "In other cities the validity of the Mexican ID card has prompted heated debates over whether recognition would amount to legitimization of illegal immigrants. New York politicians, however, rarely raise issues relating to the legal or illegal status of immigrants. Instead, the conversations in city and state offices over the Mexican ID have focused on the heightened concerns over security and identity fraud since the terrorist attacks."[23]

Similarly, in a year he was standing for re-election in the state with the largest Mexican population, California Governor Gray Davis showed political courage by vetoing legislation that would have granted licenses to illegal immigrants. He did so despite the fact that the legislation had been significantly revised to address concerns he had raised; "The bills would have allowed illegal immigrants to obtain licenses if they passed all driving tests, underwent criminal background checks, were applying for legal residency and could prove they were employed and had lived in California for at least 15 months in the last three years."[24] The governor's veto message said, "the tragedy of September 11 made it abundantly clear that the driver's license is more than just a license to drive; it is one of the primary documents we use to identify ourselves."[25]

While this veto outraged many in the Hispanic community, not all opposed the governor's decision. Not only did the California Hispanic Chamber of Commerce subsequently endorse him for re-election, its president said her group had "similar concerns as to what the governor expressed. We agree with what he did." And others, such as the chairman of the Latino Journal's editorial board, expressed disappointment but said that it "wasn't a make-or-break issue" for his group.[26]

Integrity of driver's licenses is a security matter. States historically have protected their right to issue driver's licenses, and any federal attempt to interfere has been fiercely opposed. The Mexican government seems to understand this and is actively lobbying state legislatures to grant special dispensation to matricula cardholders from "proof of legal residence" requirements. This activity endangers homeland

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Accepting a less than secure identity card from Mexico would be the functional equivalent of a quasi-amnesty for approximately 50 percent of our illegal population without any national debate on the merits and implications of that action.

security because today the state driver's license, with all its weaknesses, is the most accepted American identity document. It is a prime example of the almost non-existent interior enforcement of our immigration laws that states would even consider issuing it to illegal aliens.

The American Association of Motor Vehicle Administrators (AAMVA) is helping states develop national standards with respect to driver's licenses' appearance, data content, and security requirements. Cards would be made more tamper-proof and consideration is being given to including a biometric identifier, such as a fingerprint or retinal scan. There would also be a uniform set of standards regarding the documents needed to prove identity, residency, and legal status of non-citizens. Identity documents would be verified electronically with appropriate federal agencies. Similarly, to ensure that no individual holds more than one valid driver's license at a time, a computer link would give states access to each other's driver databases.[27]

Several congressional bills were introduced in 2002 that addressed different aspects of the integrity of America's identity documents. They didn't move out of committee, so there was no public debate on the merits. Past congressional efforts to tighten document security in part by linking databases have been fiercely opposed by a coalition of civil libertarians, data privacy groups, states rights advocates, and libertarians concerned with government intrusion. Current sentiment seems to lean toward letting state motor vehicle departments, AAMVA, and organizations such as the National Governors Association and the National Conference of State Legislatures try to reach consensus on uniform issuance and card security standards. If that is accomplished, the next issue would be how best to implement those standards. One option would be federal legislation.

The specter of the Mexican government heavily lobbying state motor vehicle departments and state legislatures to accept the matricula as a valid identity document is energizing those discussions.

Institutionalized Illegality

No one disputes that Mexico has a right to issue the matricula consular and maintain a registry of its citizens living in other nations. What is in dispute is the wisdom of American institutions and governmental entities accepting as official identification a foreign government's document, the purpose of which is to make it easier for their nationals to reside in the United States illegally. This issue extends beyond the immediate example of Mexico and the matricula and must be considered in terms of precedent-setting policy for treatment of other foreign governments who wish to do the same for their illegal populations.

Within the last month, these concerns have been raised by members of Congress in letters sent to the Secretary of State and the Treasury Department and by the Governor of Colorado, who asked a Mexican consul general to explain her office's lobbying efforts on behalf of the matricula. Similarly, concerned citizens' organizations have become more vocal at the local level, explaining U.S. immigration law as regards illegal aliens and pointing out legal risks localities may run by subverting those laws.

The reason why we find ourselves addressing the far-reaching implications of the matricula issue is an almost total lack of interior enforcement of our immigration laws. This has resulted in an illegal population of nine million people — 40 percent are visa overstayers and 60 percent crossed our borders without permission. Of the latter group, the vast majority are Mexicans.

The matricula issue has starkly highlighted the dangers inherent in this benign neglect. Immigrant advocates, politicians, and businesses seeking cheap labor have been successful in blurring the distinction between legal and illegal immigration. But it is a distinction the American people find easy to make, as evidenced by numerous public opinion polls spanning many years.

Accepting a less than secure identity card from Mexico would be the functional equivalent of a quasi-amnesty for approximately 50 percent of our illegal population without any national debate on the merits and implications of that action.

Accepting a less than secure identity card from any country further erodes our ability and incentive to control which foreign nationals can enter and live permanently in the U.S. It has profound implications for future immigration policy and evolving policies regarding homeland security.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

End Notes

[1] "New ID Helps Mexicans Come Out of the Shadows," *El Diario,* March 20, 2002.

[2] Olson, David, "Matricular consular helps new residents prove identity, obtain services, *The News and Observer* (Raleigh, NC), August 12, 2002.

[3] Giovine, Patricia, "Gov't urges migrants to stop using fake identities," *Agencia EFE,* November 21, 2002.

[4] "Migrants to U.S. are a major resource for Mexico," *The New York Times,* March 25, 2002; Sachs, Susan, "Citing security, New York rejects Mexican ID cards," *The New York Times,* December 28, 2002.

[5] Riley, Michael, "Mexican ID cards caught in growing debate," *Denver Post*, October 10, 2002.

[6] "Mas de un million 40 mil matriculas consulares expedidas en Estados Unidos en 2002," *Secretaria de Relaciones Exteriores,* Comunicado de prensa No. 282/02, 30 de diciembre de 2002.

[7] Sheridan, Mary Beth, "An entry card for immigrants," *The Washington Post,* July 26, 2002; pg. B1.

[8] "An entry card for immigrants," op.cit.

[9] Iwasaki, John, "Mexicans in the U.S. get that second piece of I.D," *The Seattle Post-Intelligencer,* December 7, 2002.

[10] Golden, Tim, "Mexican Drug Dealers Turning U.S. Towns Into Major Depots," *The New York Times*, November 16, 2002.

[11] "Mexican Drug Dealers Turning U.S. Towns into Major Depots," op.cit.

[12] "Mas de un million 40 mil matriculas consulares expedidas en estados unidos en 2002," op. cit.

[13] Gamboa, Suzanne, "Report: Migrants Sent Home $23B," *Star Tribune,* November 22, 2002.

[14] Thompson, Ginger, "Migrants to U.S. are a major resource for Mexico," *The New York Times*, March 25, 2002.

[15] Dinerstein, Marti, "Giving Cover to Illegal Aliens: IRS Tax ID Numbers Subvert Immigration Law," CIS *Backgrounder,* November 2002. http://www.cis.org/articles/2002/back1202/html

[16] http://www.ustreas.gov/press/releases/reports/sec326breport.final.pdf

[17] "IRS makes changes to individual taxpayer identification number (ITIN) application," *Internal Revenue Service,* News Release, IR-02-139 (17 Dec 2002.

[18] "Giving Cover to Illegal Aliens: IRS Tax ID Numbers Subvert Immigration Law," op.cit.

[19] Gori, Graham, "A card allows U.S. banks to aid Mexican immigrants," *The New York Times*, July 6, 2002.

[20] "Treasury Department Issues USA PATRIOT Act Report to Congress," *Office of Public Affairs, Treasury Department*, PO-3567, October 22, 2002.

[21] http://www.ustreas.gov/press/releases/reports/sec326breport.final.pdf

[22] "New ID Helps Mexicans Come out of the Shadows," op.cit.

[23] "Citing Security, New York Rejects Mexican ID Cards," op.cit.

[24] Vogel, Nancy and Dan Morain, "No Licenses for Illegal Immigrants: Davis vetoes measure despite vows of support, citing national security, as he faces deadline for legislation in his first term," *The Los Angeles Times*, October 1, 2002.

[25] http://www.governor.ca.gov/govsite/msdocs/press_release/L02_246_AB_60_and_SB_804_veto_message.doc

[26] Talev, Margaret and Kevin Yamamura, "Davis defends driver's license veto," *The Sacramento Bee*, October 19, 2002. http://www.sacbee.com/content/politics/story/4856842p-5870062c.html

[27] Dinerstein, Marti, "America's Identity Crisis: Document Fraud is Pervasive and Pernicious," CIS *Backgrounder*, April 2002. http://www.cis.org/articles/2002/back302.html

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

NON-PROFIT
U.S. POSTAGE
PAID
PERMIT #6117
WASHINGTON, DC

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Center for Immigration Studies
1522 K Street NW, Suite 820
Washington, DC 20005-1202
(202) 466-8185
center@cis.org
www.cis.org

Backgrounder

IDs for Illegals

The 'Matricula Consular' Advances Mexico's Immigration Agenda

By Marti Dinerstein

In the wake of the 9/11 terrorist attacks, a migration deal with Mexico was tabled while attention turned to homeland security. So the Mexican government abruptly changed its White House strategy and substituted a grass-roots approach that would focus at the local level, seek small successes, and build momentum for congressional action. The lynchpin for this new strategy was to be the "matricula consular," an official identity card issued by the Mexican government, which it wanted to be officially recognized within the United States.

This *Backgrounder* is the first detailed examination of the matricula issue. Among the findings:

- The matricula consular is useful in the United States only for illegal aliens, since legal immigrants, by definition, have U.S. government-issued documents.
- The Mexican government has launched an aggressive grassroots lobbying campaign to win acceptance for its matricula card from state and local jurisdictions and from banks, especially in areas where Mexican illegal aliens are concentrated.
- The objective of this lobbying effort is to achieve quasi-legal status for Mexican illegals in the United States without waiting for action from Washington.
- The matricula itself, however, is useful to illegal aliens only insofar as U.S. institutions are willing to collaborate with Mexico's efforts to circumvent U.S. immigration law.

3-03